LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Conservation Auditorium, 1st Floor, State Land & Natural Resources Building, 625 North 4th Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, NOVEMBER 30, 1999, upon the application of PENNZENERGY EXPLORATION & PRODUCTION, L.L.C.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Hosston Zone**, **Reservoir A**, **Cotton Valley Formation**, **Reservoir A** and **Lower Cotton Valley Zone**, **Reservoir A**, in the Elm Grove Field, Webster Parish, Louisiana.

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such unit being designated HOSS RA SU117.
- 2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being designated CV RA SU131.
- 3. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, such unit being designated LCV RA SUOO.
- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 5. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriated.
- 6. To authorize the downhole combination of production from the Lower Cotton Valley Zone, Reservoir A, the Cotton Valley Formation, Reservoir A and the Hosston Zone, Reservoir A, in the wellbore of any well drilled on the additional units proposed herein.
- 7. To extend except as in conflict herewith the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Office of Conservation Order No. 361-A Series of Orders, to the proposed additional unit for the Hosston Zone, Reservoir A.
- 8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, as amended and supplemented by the Office of Conservation Order No. 361-B Series of Orders, to the proposed additional unit for the Cotton Valley Formation, Reservoir A.
- 9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the Office of Conservation Order No. 361-E Series of Orders, to the proposed additional unit for the Lower Cotton Valley Zone, Reservoir A.

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10. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, is defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, is defined in Office of Conservation Order No. 361-B, effective October 1, 1973 and Office of Conservation Order No. 361-B-6, effective May 24, 1978.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, is defined in Office of Conservation Order No. 361-E, effective July 16, 1996

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

PHILIP N. ASPRODITES COMMISSIONER OF CONSERVATION

Baton Rouge, La 10/21/99;10/26/99 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE CONTACT <u>DEPARTMENT OF NATURAL RESOURCES</u>, <u>PERSONNEL SECTION</u> AT P.O. BOX 94396, BATON ROUGE, LA 70804-9396 IN WRITING OR BY TELEPHONE (504) 342-2134 BETWEEN THE HOURS OF 8:00 A.M. AND 4:30 P.M., MONDAY THRU FRIDAY WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.